## LETTER OF UNDERSTANDING ARTICLE 35 Drug and Alcohol Testing

During the negotiations in 2004, the parties discussed reducing the percentage of employees who are subject to random drug and/or alcohol testing. The Employer agreed to reduce the number of random tests to 10% of the number of test-designated positions in the pool for a one-year period beginning in October 2005. If after one year there is a significant increase in the percentage of positive tests, the Employer reserves the right to return to 15%. If there is a significant reduction in the percentage of positive test results, the Employer will meet with the Union to discuss the issue of further reduction in the percentage of employees randomly tested.

For the Union Edward A. Novak 10-28-04 For the Employer Jan F. Miller 10-28-04

### LETTER OF UNDERSTANDING Union Use of State's E-Mail System

Where access to the state's e-mail system is otherwise available, the employer agrees to permit use of the state's existing e-mail system by union staff, union officers and union stewards for legitimate union business. Any use of the state's e-mail system by a bargaining unit employee for legitimate union business must take place on non-work time only, including the review of any such union materials transmitted.

All legitimate union business transmitted through the state's e-mail system must be clearly identified as a union communication in the subject line, and must be of a reasonable size, volume, and frequency. The employer shall have no liability to the union or an employee for the delivery or security of such transmittals.

No partisan political, or profane materials, or materials related to union elections, or materials defamatory or detrimental to the state, to the union, or to an individual employee, may be transmitted through the state's e-mail system. The employer reserves the right to block any and all such material. The state's e-mail system is not private and may be monitored at any time.

In the event the office of the state employer determines that the union's use of the state's e-mail system violates provisions of this letter of understanding, upon notice from the office of the state employer, the union shall promptly take steps to correct the violation. In the event of a repeat violation, the office of the state employer and the union shall meet and resolve the issue.

The program will continue for the duration of the agreement unless the office of the state employer identifies problems that cannot be resolved after meeting with the union. The office of the state employer reserves the right to cancel the program if the parties fail to resolve any identified problem(s).

For the Union Cindy Kalinowski 11-04-04 For the Employer Cheryl Schmittdiel 11-04-04

## LETTER OF UNDERSTANDING Article 24 B.5 Prescription Drugs

The State Health Plan shall include the Zero Dollar Co-pay Program.

Employees taking certain non-formulary brand name drugs will be offered an opportunity to try the therapeutically equivalent generic and have the generic drug's co-pay waived for us to six months.

Either the Employer or the Union may unilaterally terminate this Letter of Understanding. The date of such termination, if such is demanded, will be on the 60<sup>th</sup> day following written notice of either party to the other of its intent to invoke this option.

For the Union
/s/ Ed Novak 5/31/06
Ed Novak, President
S & E Division, SEIU Local 517M

For the Employer
/s/ Thomas N. Hall 5/31/06
Thomas N. Hall, Acting Director
Office of the State Employer

# LETTER OF UNDERSTANDING SEIU LOCAL 517M, Scientific and Engineering Unit Optional Coverages Program

Upon Civil Service Commission approval an Optional Coverages Program (OCP) will be implemented for State of Michigan employees. Plans to be offered initially under the OCP are expected to include voluntary group term life insurance, universal life insurance, critical illness insurance, and group home and auto insurance. Additional plans may be offered at later dates.

The parties agree the Employer may extend the OCP to employees in the Scientific and Engineering bargaining unit. Employees who choose to voluntarily participate in the OCP may elect to enroll in one or more of the plans offered upon the terms and conditions set forth by the provider of the specific optional coverage plan(s). Employees who choose to not participate in the OCP will not have any optional coverages.

Premiums required for any OCP plan in which the employee enrolls are the sole responsibility of the employee. Payment may be made through payroll deduction or direct bill as permitted by the specific plan.

In the event any optional coverage plan is canceled or withdrawn, employees enrolled in the plan will be sent written notice at least 30 calendar days in advance of the coverage end date.

FOR THE UNION FOR THE EMPLOYER
Cindy Mason 11/7/05 Thomas N. Hall 11/8/05

### LETTER OF UNDERSTANDING Banked Leave Time Program

#### 1. Eligibility.

Permanent and limited-term, full-time, part-time, seasonal, and intermittent, probationary and non-probationary employees shall be required to participate in the banked leave time program (program). Non-career employees are not eligible to participate in the program.

#### 2. Definitions and Description of Program.

An eligible employee shall work a regular work schedule, but receive pay for a reduced number of hours. The employee's pay shall be reduced by four (4) hours per pay period for full-time employees, and by a pro rata number of hours for less than full-time employees. The employee will be credited with a like number of banked leave time (BLT) hours for each biweekly pay period.

#### 3. Hours Eligible for Conversion to Program.

The number of BLT hours for which the employee receives credit shall be accumulated and reported periodically to participating employees. During the term of this Letter of Understanding, an employee shall not be able to accumulate in excess of 184 BLT hours. Accumulated BLT hours shall not be counted against the employee's annual leave cap, known as part a hours under the annual and sick leave program.

The employee shall be eligible to use the accumulated BLT hours in a subsequent pay period in the same manner as annual leave, pursuant to article 21.

#### 4. Timing of conversion of unused program hours.

Upon an employee's separation, death or retirement from state service, unused BLT hours shall be contributed by the state to the employee's account within the State of Michigan 401(k) plan, and if applicable to the Sate of Michigan 457 plan. Such contributions shall be treated as non-elective employer

contributions, and shall be calculated using the product of the following: (i) the number of BLT hours and, (ii) the employee's base hourly rate in effect at the time of the contribution.

If the amount of a projected contribution would exceed the maximum amount allowable under section 415 of the internal revenue code (when combined with other projected contributions that count against such limit), the state shall first make a contribution to the employee's account within the State of Michigan 401(k) plan up to the maximum allowed, and then make the additional contribution to the employee's account within the State of Michigan 457 plan.

#### 5. Insurances, Leave Accruals and Service Credits.

Retirement service credits, overtime compensation, longevity compensation, step increases, continuous service hours, holiday pay, annual and sick leave accruals will continue as if the employee had received pay for the BLT hours. Premiums, coverage and benefit levels for insurance programs (including ltd) in which the employee is enrolled will not be changed as a result of participation in the program. Employees shall incur no break in service due to participation in the program. The program is not intended to have an effect on the final average compensation calculations under the state's defined benefit plan nor the salary used for employer contribution calculations under the state's defined contribution plan.

#### 6. Relationship to Plan A and Plan C.

Before incurring unpaid Plan A or Plan C hours all BLT hours must be exhausted.

#### 7. Term.

The program shall be effective the pay period beginning January 2, 2005. The pay reduction and accrual provisions of this letter of understanding shall be in effect through the pay period ending October 22, 2005 unless extended by mutual agreement of the parties.

For the Union Edward A. Novak 10-28-04

For the Employer Jan F. Miller 10-28-04

#### LETTER OF UNDERSTANDING Article 25, Section A

During the term of this Agreement, the parties agree that if the Michigan legislature authorizes a pay increase for its elected members, such pay increase authorization shall trigger a wage reopener for the year, or years, in which that increase was effective. This Letter of Understanding shall expire September 30, 2011.

For the Union Cinday Mason 10/26/07

For the Employer Cheryl Schmittdiel

# LETTER OF UNDERSTANDING Article 27 Deferred Compensation

During the negotiations of 2007, the parties agreed to jointly pursue and encourage the addition of a Roth 401(k) plan to the deferred compensation program options available for enrollment by bargaining unit employees.

The parties further agree that, in the event a Roth 401(k) plan is established, it will be offered to bargaining unit employees for voluntary enrollment as soon as administratively feasible.

FOR THE UNION Cindy Mason

FOR THE EMPLOYER Cheryl Schmittdiel

# LETTER OF UNDERSTANDING Article 29 Working Out Of Class

During the negotiations in 2007, the parties acknowledge the Civil Service Commission's current rule identifying working out of class as a prohibited subject of bargaining. Accordingly, the parties jointly agreed not to conduct negotiations over the subject at this time.

In the event the Civil Service Commission Rule is amended to permit negotiating working out of class, the parties will commence negotiations, upon the request of the Union, and subject to such restrictions as the Civil Service Commission may establish. Previous language in Article 29 of the Agreement will be used as a starting basis for negotiations.

FOR THE UNION Cindy Mason

FOR THE EMPLOYER Cheryl Schmittdiel

### LETTER OF UNDERSTANDING CONTRACTING COMMITTEE

During the 2007 negotiations, the Office of the State Employer and SEIU Local 517M agreed to establish a joint committee for the purpose of reviewing the contracting out of services including CS-138's.

For the Union Cindy Mason

For the Employer Cheryl Schmittdiel

### LETTER OF UNDERSTANDING SEIU LOCAL 517M Prescription Drug Communication Committee

During the 2007 negotiations, the Office of the State Employer and SEIU Local 517M agreed to establish a joint committee for the purpose of determining the best way communicate the changes to unit employees in the prescription drug program. Those changes include, but are not limited to, the Generics Preferred program, Step Therapy, and Drug Quantity Management.

The committee will hold its first meeting on or before May 1, 2008 and will make its recommendations, to OSE and the Union no later than June 30, 2008, unless extended by mutual Agreement of the parties.

For the Union Cindy Mason

For the Employer Cheryl Schmittdiel

### LETTER OF UNDERSTANDING Forensic Scientists

The parties agree to establish a committee comprised of three representatives from the Department of State Police, one from the Office of the State Employer, and three representatives of the SEIU Local 517M Scientific and Engineering Unit, as designated by the Union, to review issues related to the recruitment and retention of Forensic Scientists. The committee will review best practices in the field as well as scheduling and compensation. Findings which involve mandatory subjects of bargaining will be referred to the Director of the Office of the State Employer and the Executive Vice President of the SEIU Local 517M for possible action.

For the Union Cindy Mason 10-26-07 For the Employer Cheryl Schmittdiel